# The Flinn Report

# Regulation

Claire B. Eberle, Editor

Joint Committee on Administrative Rules

217/785-2254

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Illinois Regulation is a summary of the weekly regulatory decisions of State agencies published in the Illinois Register and action taken by the Illinois General Assembly's Joint Committee on Administrative Rules. Illinois Regulation is designed to inform and involve the public in changes taking place in agency administration.

## **New Regulations**

## **TEACHER RETIREMENT**

The TEACHERS' RETIREMENT SYS-TEM OF THE STATE OF ILLINOIS adopted an amendment for "The Administration and Operation of the Teachers' Retirement System" (80 III Adm Code 1650), effective 1/14/05, concerning calculation of a teacher's effective date of membership in the retirement system. For purposes of calculating the required contributions necessary to purchase private-schoolteaching, optional service, and in the absence of official records documenting the date of 1st full-time employment as a teacher, the date of 1st membership shall be July 1st of the 1st year of System contributing service.

Questions/requests for copies: Thomas S. Gray, TRS, 2815 W. Washington, Springfield IL 62794-9253, 217/753-0375.

## STATE EMPLOYEES

The DEPARTMENT OF CENTRAL MANAGEMENT SERVICES adopted a peremptory amendment for "Pay Plan" (80 III Adm Code 310), effective 1/11/05, to reflect a collective bargaining agreement between the State and the American Federation of State, County and Municipal Employees

(AFSCME). This rulemaking adds in- PROCUREMENT CODE formation technology/communications systems specialist I and II, insurance performance examiner III, and telecommunications specialist positions to the list of AFSCME-represented technical employees. amendment also establishes title codes and salary grades for these positions.

Questions/requests for copies: Dawn DeFraties, DCMS, 503 Stratton Bldg., Springfield IL 62706, 217/524-8773, Fax 217/558-4497.

## **GAS UTILITIES**

The ILLINOIS COMMERCE COMMIS-SION adopted a new Part by emergency rulemaking titled "Application of Functional Separation Rules" (83 III Adm Code 552), effective 1/14/05, for a maximum of 150 days, to provide for the functional separation of Illinois gas utilities' generation services and delivery services. An identical pro- FWATERCRAFT TAXES posed rulemaking appears in this issue of the Illinois Register. The rulemakings apply electric utility functional separation provisions that are contained in Part 452, which was adopted in the 2/8/02 issue of the Illinois Register, to (1) any gas utility (cont'd next page)

**Proposed** 

Regulations

The DEPARTMENT OF CENTRAL MANAGEMENT SERVICES proposed an amendment for "Standard Procurement" (44 III Adm Code 1) to implement an amendment to the Illinois Procurement Code in Public Act 93-769. The definition of a small wholesale business is changed from one having maximum annual sales of \$7.5 million to one having \$10 million in maximum annual sales. The same threshold in the definition of a small retail business changes from \$1.5 million to \$6 million. Retail and wholesale businesses that desire to compete for State contracts as a "small business" under the Procurement Code may be affected by this rulemaking.

Questions/requests for copies/comments until 3/14/05: Gina Wilson, DCMS, 720 Stratton Bldg., Springfield IL 62706, 217/785-1793.

The DEPARTMENT OF REVENUE proposed a new Part titled "Watercraft Use Tax" (86 III Adm Code 153). A companion emergency rulemaking became effective 12/16/04. The rulemaking establishes a new Part to implement Public Act 93-840, which required DOR to impose a tax on the privilege of using certain defined watercraft in this State that are acquired by gift, transfer, or non-retail purchase after 9/1/04. The rulemaking

(cont'd next page)

NEW REGULATIONS: Rules adopted by agencies this week.

PROPOSED REGULATIONS: Rules proposed by agencies this week, commencing a 45-day First Notice period. Public comments must be accepted by the agency for the period of time indicated.

risymbol designating rules of special interest to small businesses, small municipalities, and not-for-profit corporations. Agencies are required to consider comments from these groups and minimize the regulatory burden on them. QUESTIONS/COMMENTS/RULE TEXT: Direct mail or phone calls to the agency personnel listed below each summary.

Providing volume and issue number of The Flinn Report or the Illinois Register will expedite the process. Some agencies charge copying fees. However, copy requests do not have to be made under the Freedom of Information Act

## **New Regulations**

company that served more than 60,000 gas customers but less than 75,000 gas customers in this State on 1/1/00 and (2) also provides competitive electric power and energy to electric delivery service customers through a business division of its electric utility. The referenced Part 452 rules prohibit an electric utility from giving preferential treatment in its generation services through unequal access to essential delivery facilities and information, unequal provision of delivery services (price or quantity), dis-

criminatory access to competitively sensitive information obtained through providing delivery services to competitors, and discriminatory access to such information by isolating delivery service operations and separating them from generation operations. The new Part 552 additionally requires any gas utility that meets the 2 criteria above to file an implementation plan by 2/14/05 for the ICC's review and approval, modification, or rejection. At this time, according to the ICC, the rulemakings apply only to MidAmerican Energy Company that serves the Quad Cities area.

Questions/requests for copies/comments concerning the proposed rulemaking until 3/14/05: Elizabeth Rolando, Chief Clerk, ICC, 527 E. Capitol Ave., Springfield IL 62701, 217/782-7434 or Conrad Rubinkowski at the same address, 217/782-4854. Please reference docket 05-0016.

## **Proposed Regulations**

provides definitions, examples of how the tax is imposed, basis and rate of the tax, exemptions, and filing procedures for tax returns. Those affected by this rulemaking include lessors engaged in the business of leasing or renting watercraft and who sell used watercraft in connection with that business to a purchaser who will use the **CRAYFISH & MUSSELS** watercraft for his or her own use. Businesses and other entities that will use watercraft in Illinois that was acguired by gift, donation, transfer, or non-retail purchase may also be affected.

Questions/requests for copies/comments until 3/14/05: Edwin E. Boggess, DOR, Legal Services Office, 101 W. Jefferson, Springfield IL 62794, 217/ 782-2844.

## **SHELTERED CARE HOMES**

The DEPARTMENT OF HUMAN SER-VICES proposed amendments for "Aid to the Aged, Blind or Disabled" (89 III Adm Code 113) to raise the "grant adjustment" of clients receiving Aid to the Aged, Blind or Disabled (AABD) from \$385.90 to \$400.90. The "sheltered care/personal or nursing care" rates are also increased by \$15.00 each. These changes reflect the January 2005 increase in federal Social Security and Supplemental Security Income benefits. Those af-

fected by this rulemaking include sheltered care homes.

Questions/requests for copies/comments until 3/14/05: Tracie Drew, DHS. 100 S. Grand Ave. E., 3rd Fl., Springfield IL 62762, 217/785-9772.

The DEPARTMENT OF NATURAL RESOURCES proposed amendments for "Commercial Fishing and Musseling in Certain Waters of the State" (17 III Adm Code 830) to specify that the waters open to commercial harvest of crayfish are the Illinois River and adjacent backwaters from the Route 89 highway bridge downstream. Five exceptions, 2 of which apply to duck season, are listed. Cravfish may be taken by commercial fishermen only with legal seine nets of a specified size and only on waters open to crayfish commercial harvest. However, commercial fishermen may use crayfish legally obtained from fish dealers as bait on other waters open to commercial fishing. All crayfish species are legal to possess with the exception of those listed as endangered or threatened and the rusty crayfish. Additional amendments specify that commercially-taken carp refers to common carp and black carp, American eel may be commercially taken, and failure to submit required reports to

DNR is a Class B misdemeanor. Two additional criteria used to determine if an area will be opened or will remain open to commercial mussel harvesting are added based on a specified "sub-legal" to legal mussel (same species) ratio and a "catch rate" measured during a timed sampling conducted by a diver. Persons licensed by DNR to commercially harvest fish, crayfish, or mussels will be affected by this rulemaking.

Questions/requests for copies/comments until 3/14/05: Jack Price, DNR, One Natural Resources Way, Springfield IL 62702-1271, 217/782-1809.

## **FVEHICLE REGISTRATION**

The SECRETARY OF STATE proposed amendments for "Certificates of Title, Registration of Vehicles" (92 III Adm Code 1010) to authorize motor vehicle dealers to issue license plates and stickers and renew registrations in the course of selling or leasing vehicles. The rulemaking also adds regulations for electronic registration and titling (ERT) of motor vehicles. The ERT program covers title applications, vehicle registrations, creating and removing liens from vehicle records, and issuing license plates and stickers. Motor vehicle dealers, financial institutions, and other processing agents may participate, and

## **Proposed Regulations**

the Secretary may contract with "ERT service providers" to serve as intermediaries between SOS and the entities listed above. ERT service providers must post a \$1 million performance bond, register as a remittance agent, and meet other specified criteria. The financial institutions and other entities that participate as the vendors in the program may not simultaneously take part in both the ERT program and the over-the-counter sales program. The maximum fee and service charge for renewing license plates and stickers over-the-counter is increased from \$4.75 to \$5.50, and the ERT program maximum fee is \$5.50 for renewals and \$25 for other services. Small businesses that desire to participate in the over-the-counter or ERT programs for vehicle titling or registration will be affected by this rulemaking.

Questions/requests for copies/comments until 3/14/05: Nathan Maddox, Office of the SOS, 298 Howlett Bldg., Springfield IL 62701, 217/785-3094.

## **PUBLIC ACCOUNTANTS**

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION proposed amendments for rules titled "Illinois Public Accounting Act" (68 Ill

Adm Code 1420) and "Illinois Public Accounting Act (Professional Conduct Rules)" (68 III Adm Code 1430) to implement Public Act 93-683, which significantly revises the statute that is the basis for these Parts' provisions. For background, Illinois is currently a 2-tiered state when it comes to recognizing certified public accountants (CPAs). "Registered" CPAs are those Board-certified accountants who may use that title in advertising; "licensed" CPAs are also Board-certified and able to use the title in advertising, but they may also perform audits. The Part 1420 rulemaking revises the experience criteria for CPAs to become licensed in this State and provides guidelines for temporary practice, licensing by endorsement, and license restoration. Regarding continuing education requirements, not less than 4 hours of the required 120 hours must be professional ethics courses, and CPAs seeking license restoration or renewal must meet this standard. The amendments specify that a majority of the ownership of a firm seeking licensure in Illinois must belong to persons licensed in some jurisdiction. (Current rules provide that each member of a firm not personally engaged in public accounting in Illinois must be a CPA or otherwise authorized to

practice accounting in some jurisdiction.) The fee structure is changed by: (1) increasing the application fee for licensed CPAs from \$75 to \$120; (2) increasing the annual renewal fee for licensees from \$20 to \$40; (3) establishing an application fee for registered CPAs at \$90 and a \$30 annual renewal fee; (4) striking the \$75 fee for endorsement licenses; (5) setting a processing fee for temporary registration of \$50/year; (6) and striking exceptions from the \$150 application and renewal fees for continuing education sponsors. The amendment for Part 1430 provides that licensed public accountants, licensed CPAs, and public accounting firms may not provide regulated non-audit services for a firm at the same time that they are providing audit services to that firm. The rulemaking also provides circumstances under which the above entities may be exempt from this prohibition. Those affected by these 2 rulemakings include businesses that provide the services of public accountants and CPAs.

Questions/requests for copies/comments concerning the 2 rulemakings above until 3/14/05: Barb Smith, DFPR, 320 W. Washington, 3<sup>rd</sup> Fl., Springfield IL 62786, 217/785-0813.

## **Second Notices**

The following rulemakings were moved to second notice this week by the agencies listed below, commencing the JCAR review period. The rulemakings will be considered at JCAR's 2/17/05 meeting in Springfield.

### **DEPARTMENT OF CORRECTIONS**

"Health Care" (20 III Adm Code 415) proposed 12/3/04 (28 III Reg 15365)

## **DEPARTMENT OF NATURAL RESOURCES**

"Sport Fishing Regulations for the Waters of Illinois" (17 III Adm Code 810) proposed 11/19/04 (28 III Reg 14942)

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